EXHIBIT 6

Case 4:07-cv-05944-JST Document 530-2 Filed 08/03/09 Page 2 of 85 CaseM:07-cv-01827-SI Document855 Filed02/20/09 Page1 of 3 Bruce L. Simon (State Bar No. 96241) PEARSON, SIMON, WARSHAW & PENNY, LLP 44 Montgomery Street, Suite 1430 San Francisco, CA 94104 Telephone: (415) 433-9000 Facsimile: (415) 433-9008 Richard M. Heimann (State Bar No. 63607) LIEFF, CABRASER, HEIMANN & BERNSTEIN, LLP Embarcadero Center West 275 Battery Street, 30th Floor San Francisco, CA 94111-3339 Telephone: (415) 956-1000 Facsimile: (415) 956-1008 Interim Co-Lead Counsel for the Direct Purchaser Plaintiffs [Additional counsel listed on signature page] UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA SAN FRANCISCO DIVISION IN RE: TFT-LCD (FLAT PANEL) Master File No. M07-1827 SI ANTITRUST LITIGATION MDL No. 1827 DECLARATION OF JORDAN ELIAS IN This Document Relates to: SUPPORT OF PLAINTIFFS' SUPPLEMENTAL BRIEF IN ALL DIRECT PURCHASER ACTIONS OPPOSITION TO DEFENDANT TATUNG COMPANY OF AMERICA, INC.'S **MOTION TO DISMISS** Date: February 27, 2009 Time: 9:00 a.m. Courtroom: 10, 19th Floor

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Honorable Susan Illston

I, Jordan Elias, declare as follows:

1. I am an associate at Lieff, Cabraser, Heimann & Bernstein, LLP, and a member in good standing of the State Bar of California and the United States District Court for the Northern District of California. I make this declaration based on my own personal knowledge. If called

> ELIAS DECL. ISO PLTFS' SUPPLEMENTAL BRIEF IN OPPOSITION TO TATUNG'S MOTION TO DISMISS MASTER FILE NO. M07-1827 SI

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upon to testify, I could and would testify competently to the truth of the matters stated herein.

- 2. Attached as Exhibit A to this declaration is a true and correct copy of a document produced by Tatung Company of America ("Tatung America") in this litigation that begins with Bates No. TUSP0009432 and ends with Bates No. TUSP0009433.
- 3. Attached as Exhibit B to this declaration is a true and correct copy of a document produced by Tatung America in this litigation consisting of Bates No. TUSP0009430.
- 4. Attached as Exhibit C to this declaration is a true and correct copy of a document produced by Tatung America in this litigation that begins with Bates No. TUSP0009352 and ends with Bates No. TUSP0009369.
- 5. Attached as Exhibit D to this declaration is a true and correct copy of a document produced by Tatung America in this litigation that begins with Bates No. TUSP0009379 and ends with Bates No. TUSP0009392.
- 6. Attached as Exhibit E to this declaration is a true and correct copy of excerpts of the court reporter's certified transcript of the deposition of Edward Chen, which occurred on February 13, 2009, in Sherman Oaks, California.
- 7. Attached as Exhibit F to this declaration is a true and correct copy of the Rule 7.1 corporate disclosure statement jointly filed by Tatung America and Tatung Taiwan in a patent suit brought by LG. Philips LCD Co., Ltd. against Tatung Taiwan, Tatung America, Chunghwa, and Viewsonic Corporation in the U.S. District Court for the District of Delaware (Case No. 1:05-cv-00292-JJF, at Docket No. 15).
- 8. Attached as Exhibit G to this declaration is a true and correct copy of excerpts of the court reporter's certified transcript of the deposition of Michael Lai, which occurred on February 13, 2009, in Sherman Oaks, California.
- 9. Attached as Exhibit H to this declaration is a true and correct copy of a document produced by Tatung America in this litigation consisting of Bates No. TUSP0026399.
- 10. Attached as Exhibit I to this declaration is a true and correct copy of a document produced by Tatung America in this litigation consisting of Bates No. TUSP0002458.
 - 11. Attached as Exhibit J to this declaration is a true and correct copy of a document

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produced by Tatung America in this litigation that begins with Bates No. TUSP0003678 and ends
with Bates No. TUSP0003683.
12. Attached as Exhibit K to this declaration is a true and correct copy of two
documents produced by Tatung America in this litigation, the first beginning with Bates No.
TUSP0024260 and ending with Bates No. TUSP0024275, the second beginning with Bates No.
TUSP0024276 and ending with Bates No. TUSP0024293.
13. Attached as Exhibit L to this declaration is a true and correct copy of a document
produced by Tatung America in this litigation that begins with Bates No. TUSP0025556 and ends
with Bates No. TUSP0025557.
I declare under penalty of perjury under the laws of the United States that the foregoing is
true and correct.
Executed this 20th day of February, 2009 at San Francisco, California.
and the
Jordan Elias

Exhibit A

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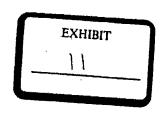
Fwd: Due Diligence]

Subject: [Fwd: Due Diligence]

From: edward chen <echen@tatungusa.com> Date: Thu, 17 Fcb 2005 11:40:24 -0800

To: Tcddy Thamrongvorapom <sthamron@tatungusa.com>

Dear Teddy, Pls incorporate some inforamtion in this e-mail as the company background information to the response to Speilo's RFQ. Tks.



Edward

Subject: Re: Due Diligence

From: edward chen <echen@tatungusa.com> Date: Mon. 14 Feb 2005 12:39:35 -0800

To: "Sherwood, Chris" < CSherwood@wmsgaming.com>

Dear Chris,

Further to my e-mail reply on last Friday, I would like to add more important information here, so that you can know us better.

Tatung Company of America, Inc. is the subsidiary of Tatung Compnay based in Taiwan which is one of the largest PC and PC monitor manufacturers based in Taiwan. Currently we are supplying over 2 million sets of PC monitors, most of them are LCD monitors to Hewitt Peckard a year. We also own our own CRT and LCD panel manufacturer, Chungwha Picture Tube (CPT) which will give us an advantage in term of better prices, steady delivery even when there is a LCD panel shortage and new LCD panel's trend information. By the way, CPT is one of the top 6 LCD panel manufacturers in the world. Moreower.

Also, Tatung Company of America, Inc.is the headquarter of Gaming Video display monitors for Tatung Group. This will give you all the resources of Tatung Group (a over \$6 Billion company with over 300 engineers in R&D) to support you and at the same time you will have all of our attention to meet your requirement (because you are dealing with us directly) during the course of this project if you choose us to be one of your vendor in this project. We have local R&D and manufacturing/assembly facilities in Long Beach to offer quality products and quick service at the competive prices to meet your ever -changing requirement.

If you would like to have some trade refernce to find out how good we are serving our existing customers in the gaming industry, followings are two for you to call:

- (a) Hector Felician, Director of Manufacturing of Bally Gaming Tel: 702-896-7802 e-mail: hfeliciano@ally.com
- (b) Tim Carson, President of Summit Gaming

Tel: 406-652-3239 e-mail: tim@summitgaming.com

Dear Chris, I hope this additional information will help you in making your decision. And if there is any other information you need to have, pls do not hestiate to call me . Tks. Edward Chen

"Sherwood, Chris" wrote:

Dear Mr. Chen,

I am sorry that I missed your return phone call yesterday. I am sure that we will be able to talk personally very soon. Until then, perhaps you can assist me with some legal formalities.

2/17/2005 11:23 AM

Fwd: Due Diligence]

As you probably know, the gaming industry is tightly regulated. All companies with which we do, or plan to do business, must be reviewed to assure the gaming regulators that our business partners are not unsavory. This is separate from the NDA, which WMS already has with Tatung.

Here is the information that our Legal Department needs to start the Due Diligence process. If you can provide the information by return e-mail, I can initiate the process through WMS' intranet.

Legal Name of Company
Date and State of incorporation
Public/Private?
Vendor Contact Person
Title
Phone Number
Address

Thanks.

Chris Sherwood Director of Strategic Sourcing WMS Gaming, Inc. 800 S. Northpoint Boulevard Waukegan, IL 60085

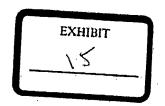
(847) 785-3870 csherwood@wmsgaming.com

Re: Due Diligence.eml Content-Type: message/rfc822
Content-Encoding: 7bit

Exhibit B

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PROPOSAL FOR SPIELO NEW VLT PROJECT



Company's Background

Tatung Company of America, Inc. is the subsidiary of Tatung Company based in Taiwan, which is one of the largest PC, and PC monitor manufacturers based in Taiwan. Currently we are supplying over 2 million sets of PC monitors, most of them are LCD monitors, to Hewitt Packard a year. We also own a CRT and LCD panel manufacturer, Chungwha Picture Tube (CPT) that will give us an advantage in term of better prices, new LCD panel's trend information and a steady delivery even when there is a LCD panel shortage. Moreover, CPT is one of the top 6 LCD panel manufacturers in the world.

Tatung Company of America, Inc. is the headquarter of Gaming Video display monitors for Tatung Group. This enables us to provide our customers with all the resource Tatung group has to offer with more than 6 billion in assets and more than 300 engineers in R&D department. During the course of the project, you will have all of our attention in doing our best to meet your requirements. We have local R&D and manufacturing/assembly facilities in Long Beach, CA to offer quality products and quick services at the competitive prices to meet your ever-changing needs.

If you would like to have some trade reference to find out how good we are serving our existing customers in the gaming industry, followings are two for you to call:

(a) Hector Felician, Director of Manufacturing of Bally Gaming

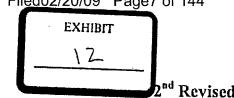
Tel: 702-896-7802 e-mail: hfeliciano@ally.com

(b) Tim Carson, President of Summit Gaming

, Tel: 406-652-3239 e-mail: tim@summitgaming.com

Exhibit C





Supplier Selection Criteria Response: Commercial & Technical Assessment Objectives-Monitor

Item	Category	Objectives
2	Procurement	The supplier must provide company profile detailing the number of
1		year's experience in the specific business and contact names of the
		least three long-term high volume customers with most similar product
		demand who can be contacted for reference checks.
	Response Tatung Co. of America, Inc. has been supplying Touch Scr	
		Display products to Gaming, POS, Security, Medical and Industrial
		market sectors for 25 years. Below are our long-term high volume
		• Bally Technologies is one of the largest Gaming machine
	•	manufacturer in America. We currently supply around 80% of their
		monitor needs, both CRT and LCD. Below is the contact
		information.
		Mr. Hector Feliciano, Sr. Director of Material Management
	Email: hfeliciano@ballytech.com, Tel: (702) 584-780	
		Pelco is one of the industries leading Solution Providers in Security
		Industry. We currently supply them both CRT and LCD monitors.
		Below is the contact information.
ĺ	·	Mr. Leo Labbe, Vice President Procurement
l		Email: <u>llabbe@pelco.com</u> , Tel: (559) 292-1981
1		Blackstone is one of the leading Solution Providers in Hospitality
	·	and Retail Technology. We currently supply them all-in-one POS
		system and Touch Screen LCD monitor. Below is the contact
ĺ		information.
		Mr. Carlos Rodriquez, Vice President of Operations
		Email: carlj@blackstoneonline.com, Tel: (305) 639-9590
3	Procurement	What is the expected workflow (sequence of events) for your supply

2518	Australia	02 4284 4055	02 4285 2188	0428620929
2518	Australia	02 4284 4055	02 4285 2188	0428620929
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7250	Australia	03 6335 5718	03 6335 5792	0418268272
2643	Australia	02 6026 5324	00 0000 0102	0427852029
2643	Australia	02 6026 5324		0427852029
2830	Australia	02 6883 4877	02 6884 1520	0410368277
2830	Australia	02 6883 4877	02 6884 1520	
2207	Australia	02 9502 1714	02 0004 1020	0410368277
3000	Australia	03 9280 1702		0413396134
3000	Australia	03 9280 1702		
2440	Australia		00 0500 0050	0.40700000
2440	Australia	02 6566 0268	02 6566 0653	0427660268
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2440	Australia	02 6566 0268	02 6566 0653	0427660268
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2440	Australia	02 6566 0268	02 6566 0653	
2230	Australia	02 9523 5835	02 9523 1758	
2230	Australia	02 9523 5835	02 9523 1758	
2230	Australia	02 9523 6833	02 9523 9211	04229660020
2230	Australia	02 9523 6833	02 9523 9211	04229660020
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2230	Australia	02 9523 6833	02 9523 9211	04229660020
2230	Australia	02 9523 6833	02 9523 9211	04229660020
3006	Australia	03 9292 7788	03 9551 5515	0418543169
2133	Australia	02 9797 0449	02 9797 6266	0418974305
2133	Australia	02 9797 0449	02 9797 6266	0418974305
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105-0021	Japan	81 0364 023622	81 0364 023623	
105-0021	Japan	81 0364 023622	81 0364 023623	
105-0021	Japan	81 0364 023622	81 0364 023623	
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		chain, starting from original manufactures and ending in your	
		customer's venue?	
	Response	Below is the workflow of our supply chain, in sequence of events.	
		i. Sales receive purchase orders from customers and process them	
		into the system.	
)	·	ii. Production planner plans and confirms back to sales lead-time	
		and ETD of the shipment.	
		iii. Sales notify the customer of ETD.	
		iv. Procurement department acquires the needed components	
		according to MRP systems.	
		v. When parts/components arrive, production line produces the	
		merchandises according to the work order issue by production	
		planner.	
]		vi. Sales contacts credit department to release the order, if on hold.	
		vii. If there is an overdue outstanding balance in the customer's	
		account, credit contacts the customer to resolve credit issue.	
	1	When resolved, credit release the sales order.	
		viii. When production is done, sales notify the customer of shipment	
		and ask for approval/confirmation if needed.	
		ix. Upon confirmation/approval from the customer, sales release the	
		order to traffic department.	
		x. Traffic department arranges a shipment according to customer's	
		request. Shipping documents/information will be forwarded to	
		sales when available.	
		xi. Sales notify the customer of the shipment status and shipping	
		document/information.	
		xii. Merchandises arrive at the customer's sites.	
		In case of customization and/or special requirements, R&D will make	
		1st sample unit for customer approval. Upon approval, R&D will create	
		a BOM. The followed orders will be produced by production line.	
4	Procurement	Describe your policy, giving examples of implementation, in respect of	

2031	Australia	02 9399 3005	02 9398 5542	0404174741
2031	Australia	02 9399 3005	02 9398 5542	0404174741
2835	Australia	02 6836 2214	02 6836 4613	
2835	Australia	02 6836 2214	02 6838 4613	
2835	Australia	02 6836 2214	02 6836 4613	
2835	Australia	02 6836 2214	02 6836 4613	
2097	Australia	02 9971 5355		
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2097	Australia	02 9971 5355		
2150	Australia	02 9689 1122	02 9633 1409	
2500	Australia	02 4229 8341	02 4229 1523	0409458190
2500	Australia	02 4229 7711	02 4229 1523	
2500	Australia	02 4229 7711	02 4229 1523	
2500	Australia	02 4229 7711	02 4229 1523	
2000	Australia	02 9541 1225		0408291175
4218	Australia	07 5592 8336		
4001	Australia	07 3306 8773	07 3306 8774	
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2540	Australia	02 4443 4144	02 4443 4350	
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2518	Australia	02 4284 4055	02 4285 2188	0428620929
2518	Australia	02 4284 4055	02 4285 2188	0428620929

	PERSONAL DAMES OF SAME	investment in capital equipment, new technology and training.
ļ	Response	At Tatung Co. of America, Inc., our goal is to provide the right
	Response	
	·	products at the best possible prices. In order to be competitive, we
		thrive ourselves with knowledge and ability to stay ahead.
		With access to industry trend information, we arm ourselves with the
		latest technology, equipments and people. We have the most advanced
		SMT line and various test equipments to make sure that our products
		meet every stringent quality and safety, including RoHS. Please refer
	·	to attachment "A" for our in-house test equipments.
		Moreover, we constantly participate in technology & industry seminars
		to update the market trend and technology. We also have in-house
		training for engineers, technicians and sales team to make sure
		everyone in our organization are up to date.
9	Procurement	Do you or any of your affiliated entities have a pecuniary interest
	• •	(shareholding, whole or part ownership, etc.) in any of your component
		or service providers?
ļ	Response	We will use ChungHwa Picture Tubes, LTD. (CPT) as our primary
	•	supplier. Tatung Group is the largest shareholders of ChungHwa with
		36% ownership. × tole out oslas.
		Our manufacturing facility in China (TCN) is a sister company, which
1		is under the same parent company, Tatung.
14	Procurement/Marketing	
''	1 Tocurement via Actuary	
		data will include manufacturer lines, screen size sales, technology
		cycles, price trends, new products and applications. This advice is
		expected on a 6 monthly or more frequent as required basis. Please
		describe how you company will satisfy this request.
	Response	With our knowledge and expertise, we will provide Aristocrat with
		industry trend, new/emerging technology and needed information to
		stay ahead of the competition.
	·	We are a member of Wits View and MIC. These Taiwanese based
		companies provide us with daily/weekly market report. The
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2210	Australia	02 9533 3144	02 9533 3812	
2210	Australia	02 9533 3144	02 9533 3812	•
2210	Australia	02 9533 3144	02 9533 3812	
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2582	Australia	02 6226 1042	02 6226 2986	0408624681
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7301	New Zealand	03 5781 059	03 5781 058	0276327006
7301	New Zealand	03 5781 059	03 5781 058	0276327006
7301	New Zealand	03 5781 059	03 5781 058	0276327006
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4013	Australia	07 3252 0770	07 3252 0971	0408622778
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5038	Australia	08 8376 2699	08 8376 2659	0403004059
5038	Australia	08 8376 2699	08 8376 2659	0403004059
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2000	Australia	02 9268 3010	02 9261 2506	
2000	Australia	02 9268 3010	02 9261 2506	
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2000	Australia	02 9268 3010	02 9261 2506	
1217	Bangladesh	02 9334 081	02 9339 054	880189492378
2031	Australia	02 9399 3005	02 9398 5542	0404174741
2031	Australia	02 9399 3005	02 9398 5542	0404174741
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		Linformation in the second include Division 11 1 Division 11
		information in the report includes Display Technology Pricing Trend,
		Major/Leading Companies' Activities that would affect the industry as
		whole, etc. We also subscribe to EE Times and Display Search Report,
		which will also provide us with an in-sight market information.
		With all these information and our own expertise, we will provide
		Aristocrat with "Market & Technology Trend Review" on a quarterly
		basis.
		For example, there are 2 technology trends, we believe, will become a
		new industry trend.
		• 16:9 Aspect Ratio of 19" or 20" monitors. This format will replace
		many 4:3 format display monitors within 1 to 2 years.
		• LED-Lited LCD Panel is a new emerging technology. These panels
		produce a better color saturation and provide a better performance.
		Please refer to attachment "B" for a sample of "Market & Technology
		Trend Review Report".
16	Procurement	Agreement term. Aristocrat is open to a longer-term supply solution -
		with the expectation that this longer-term supply will yield mutual
	·	benefits. For example, Aristocrat expects a longer-term agreement will
		allow the supplier more freedom in engineering support and
}		development work, knowing that the results of such effort can translate
		into supply during the term of the agreement. Please advice your views
ŀ		on the mutual benefits of a five-year supply agreement. Please address
		in your response how you would propose that we can both be assure of
		the competitiveness of your supply during this term.
	Response	Signing long-term contract with Aristocrat will enable us to provide a
		continuous support in terms of R&D. Not only the agreement will
		benefit in terms of new product development, but it will also help us
	·	lower the cost, which in turn benefit Aristocrat.
		We will transfer these benefits to Aristocrat thru lower prices,
1		continuity of R&D project and support, more buying power &
		negotiation power, etc.
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2046	Australia	02 9712 2055		
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2284	Australia	02 4958 7033	02 4950 8090	0412578683
2176	Australia	02 9822 3389	02 9823 3667	0402022893
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2176	Australia	02 9822 3389	02 9823 3667	
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2176	Australia	02 9823 2222	02 9823 3667	0402022893
2210	Australia	02 9533 3144		
2210	Australia	02 9533 3144	02 9533 3812	
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		Moreover, with a long-term contract, we would consider invest in
		"Production Line Automation" to reduce the cost further. This feature
		will also increase production efficiency. As a result, the costs will be
		reduced for both parties.
		A longer commitment will enable us to invest in a dedicated
		production line especially for Aristocrat's production. Which in turn,
		lower the cost and improve efficiency.
		All of these will benefit both parties tremendously in a long run. We
		are not looking for a trading partner, but "Strategic Partner".
18	Procurement	How will you protect supply continuity of display configurations given
		the volatility and changes in the availability of different screens and
		sizes?
	Response	Due to our large volume of panel requirement through Tatung Group,
		we've formed good, strong relationship with many panel
		manufacturers, including LG, CPT, AUO, Chi Mei and Samsung.
		These manufacturers regularly provide us their product roadmaps. If
		there were any change in terms of panel supply, we would be notified
	•	at least 6 months in advance. As a result, we could transfer this
		knowledge to Aristocrat to prepare any needed inventory to ensure
		continue of supply and to plan future adjustment.
		Moreover, we have a control over metal frame design. When there are
	٠ .	any changes in terms panel configuration, we will modified the inside
		of the frame. So that we can use the same frame without effecting
		Aristocrat design.
		Moreover, we have a team of engineers who are specialized in
		Firmware design to accommodate changes in configuration and screen
		sizes.
19	Material	Describe your current service model and outline how your company
		will be able to service faulty products through multiple regions,
		including turnaround time, fault reports, corrective actions and all
		supporting documentation.

2148	Australia	02 9622 5222	02 9671 6207	
2148	Australia	02 9622 5222	02 9871 6207	
2148	Australia	02 9622 5222	02 9671 6207	
2148	Australia	02 9822 5222	02 9671 6207	
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2500	Australia	02 4229 3766	02 4226 9601	•
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2000	Australia	02 9267 9421	02 9261 3593	0417697150
2000	Australia	02 9267 9421	02 9261 3593	
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2750	Australia			0423440828
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1774	Philippines	02 8096 727	02 5254 313	09173240999
4067	Philippines	02 8502 508	02 5254 313	+639173240999
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	Response	Our current turnaround time for service/repair is 3 days. It is our policy
		to summit a finding report with root-cause analysis and action plan to
		our customers to ensure open communication and continuous quality
	. <i>e</i> d so	improvement. Please refer to attachment "C" for detail, step-by-step
	.	procedure.
	10 technicions form	In order to support multiple regions, we will implement a web-based
	in CA	solution for all supporting documentations to reduce delay from time
	7 UK 25 Retuice Impair	difference. As mentioned earlier, we have offices around the world that
	ceriler	would enable us to setup local service center where the demand is high
		to ensure prompt service/response.
		In Australia, we have identified several offices/warehouse properties in
		the Silverwater area, a short distance from Aristocrat in Sydney. We
		will have a 200-300 m2 warehouse/office, which will support service
		technician (s), driver and warehouse facilities. We will have a 3-day
		turnaround time for service/repair and will be able to support daily
		deliveries to Aristocrat .
25	Material	Supply continuity is critical to us. Describe how/whether your
		company manages forecast variations in the control of purchasing and
		manufacturing schedules?
	Response	We have various tools in managing forecast variations, including MPR,
		EDI and PSI. We are implementing weekly data review to adjust to
		any changes in demand level. In case of large quantity variation, we
•		will make immediate adjustment, so that everything reflects the change
		in real-time stage.
		To ensure the continuity of supply, we plan to keep 25% safety stock,
		as required by Aristocrat.
		Moreover, majority of the critical components used for this project are
		currently being use in our standard models. We currently are
		producing around 2,000 units/month. In case of demand surge, we can
		allocate the needed parts as another mean to ensure a continuity of
		supply to Aristocrat.

2171	Australia	02 8786 8495		
2250	Australia	02 4325 9892	02 4325 9873	0409765113
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2250	Australia	02 4325 9888		
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2250	Australia	02 4325 9888		
2015	Australia	02 8394 6000		
	New Zealand	06 8735 018	06 8735 019	021336998
	New Zealand	06 8735 018	06 8735 019	021536998
	New Zealand	06 8735 018	06 8735 019	021586709
	New Zealand	06 8735 018	06 8735 019	021536981
8015	New Zealand	03 3659 999		
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4350	Australia	07 4636 9000	07 4636 9021	
4350	Australia	07 4636 9000	07 4636 9021	
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2148	Australia	02 9622 5222	02 9671 6207	
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27	R&D	Please describe your technical support team and policy & process in
		place to ensure speedy feedback on technical issues.
	Response	We have a team of engineers covering all aspects of the project,
		including mechanical, electrical and Touch Screen, to ensure speedy
		feedback on any technical issues that may arise.
		We have a distributed R&D team in US, Taiwan/China and Australia
		that operates over several time zones. We will supply direct phone
		number and email for fast response to technical issues and will be able
		to get an engineer to the Aristocrat US or Australian plant usually on
		the same-day basis for critical issues. We operate an internal ECO
		system and have the master drawing office in the engineering
		department in Long Beach, CA (US) with remote access from China
		and Australia.
		We can conduct briefings and service updates and training from our
	•	offices in US, Australia and China as required. We can produce
		prototypes, using local prototyping facilities in the US, China and
		Australia. We are able to extend this support to Europe, if required.
		Please refer to No. 11 for team member contact information.
		It is our policy to have a written response to enquiries with 24 hours.
		For US operation, We have a toll-free number dedicated especially to
		technical support issues.
28	Mfg Engineering	Provide documentation on external quality accreditation. Supply
		information on the current external auditors utilized by the company,
		also outline the results of the most recent external company quality
		audit.
	Response	Tatung Company of America, Inc. is ISO 9001:2000 Certified. The
		more recent external audit was conducted on February 16 - 17, 2006.
		The objectives of the audit were
		• To confirm the management stem complies with the applicable
		elements of the Standard
		• To confirm the organization complies with its own policies and

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2166	Australia	02 9604 9975	02 9604 7284	0418628093
2166	Australia	02 9604 9975		
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2000	Australia	02 9604 9975	02 9604 7284	
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3564	Australia	03 5480 9706	03 5480 9563	0438505188
3564	Australia	03 5480 9706	03 5480 9563	0438505188
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3564	Australia	03 5480 9706	03 5480 9563	0438505188
4170	Australia	07 3399 5000	07 3217 9886	0408730938
4170	Australia	07 3399 5000	07 3217 9886	0408730938
2470	Australia	02 6662 1666	02 6662 5339	0417495040
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2470	Australia	02 6662 1666	02 6662 5339	0417495040
1000	Bulgaria	02 8129 417	02 8129 440	
1765	Australia	02 9634 2499	02 9899 5086	
1765	Australia	. 02 9634 2499	02 9899 5086	
1765	Australia	02 9634 2499	02 9899 5086	
1765	Australia	02 9634 2499	02 9899 5086	
1765	Australia	02 9634 2499	02 9899 5086	
1765	Australia	02 9634 2499	02 9899 5086	0418545662
2000	Australia	02 9267 9725	02 9267 1159	0413197646
2000	Australia	02 9267 9725	02 9267 1159	
2171	Australia	02 8786 8495		0422481401
2171	Australia	02 8786 8495		0422481401
2171	Australia	02 8786 8495		0422481401

		procedures
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		• To confirm the management system is suitable for the organization
		• To confirm that the management system is suitable and effective and
		enable the client to achieve its own objectives.
		One of the positive aspects of the Management System the auditor
		made notes is that the shipping status of products is being continual
		improved to provide better on-time delivery to our customers.
		The results of the Surveillance Audit indicate that the Management
		System of Tatung Company of America, inc. is suitable and effective
		and will continue to be recommended for registration to
		ISO9001:2000.
		Please refer to Appendix III for audit detail.
	·	Our China Manufacturing Site also is certified with many International
ľ		Safety Standard/Credential, including ISO 9000, ISO 14000, UL,
		TUV, CCEE, CSA and CCC, etc. Please refer to Attachment "D" for
		copy of certificates.
29	Mfg Engineering	Your company policy and procedure for the provision of warranty on
		all products to be supplied. Specify the length of the warranty period.
<u> </u>		Warranty will start on fitting of item to Aristocrat machines.
	Response	Our standard warranty is 1-year parts and labor. However, in order to
		fully support Aristocrat and provide an added service, we will offer
		optional 2 nd and 3 rd year warranty on parts and labor at reasonable
		additional cost. The cost of 2 nd year warranty is \$9.00/unit and
		\$16/unit for 3 rd year. These warranty cost are the same for both
-		Australia and US operations.
		However, if any of the component manufacturers offer us any longer
		term of warranty, we will pass those warranties onto Aristocrat at no
	·	additional cost.
33	Mfg Engineering	Outline a test strategy with details of current test capabilities to meet
		ATA requirements, include a proposal for the implementation of any
		corrective action to meet deficiencies noted.

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2166	Australia	02 9727 3600	02 9727 7864	•
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2166	Australia	02 9727 3600	02 9727 7864	
2166	Australia	02 9727 3600	02 9727 7864	
2166	Australia	02 9727 3600	02 9727 7864	
4551	Australia	07 5491 1544		0400400450
4551 4551	Australia Australia		07 5491 7101	0402488150
4551 4551	Australia	07 5491 1544	07 5491 7101	0402488150
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4551	Australia	07 5491 1544	07 5491 7101	0402488150
2560	Australia	02 4625 1408	02 4628 3336	0414574058
2560	Australia	02 4626 2088	02 4628 0059	
2560	Australia	02 4626 2088	02 4628 0059	
2560	Australia	02 4626 2088	02 4628 0059	
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2560	Australia	02 4626 2088	02 4628 0059	
2560	Australia	02 4626 2088	02 4628 0059	
2194	Australia	02 9718 4044	02 9718 1867	0402453800
2194	Australia	02 9718 4044	02 9718 1867	0402453800
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2620	Australia	02 6297 2511		, -
2606	Australia	02 6283 7200	02 6283 7224	0418628093



	Response	It is our standard practice to put our products to various test to ensure
		high quality, liability and performance. The tests are implemented in
Ì		various stages; R&D stage, Design stage and Component approval
		stage. The tests include, but not limit to
		- Environmental test: Temperature, Humidity, Transportation,
		Vibration, etc.
		- Reliability test of all key components
		- Safety Tests: UL, FCC, TUV, etc.
		In case any technical issues arise, our R&D team will work on the unit
		to find the root cause. This will enable us to solve the problem at the
	·	cause and prevent any further complication.
		Please refer to attachment "E" for Detail Test Plan and attachment "A"
		for picture of in-house test equipments.
34	Mfg Engineering/R&D	Outline current systems and procedures in place that ensure all
		products conform to Aristocrat's EMC, ESD, Safety Standards.
	Response	As mentioned earlier, we implement various tests to ensure our
		products meet and exceed our customers' expectation, including
		safety. It is our standard policy to comply with all laws and regulations
		required. Product Design
		Please refer to attachment "F" for our Product Safety Certification
<u> </u>		Procedure.

2164	Australia	02 9827 4891	02 9827 4880	0414888351
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2164	Australia	02 9827 4888	02 9827 4880	0408284379
1220	Australia	02 9247 6744	02 9247 2142	
2423	Australia	02 4997 4365	02 4997 4208	
2423	Australia	02 4997 4365	02 4997 4208	
2423	Australia	02 4997 4365	02 4997 4208	
2423	Australia	02 4997 4365	02 4997 4208	
2423	Australia	02 4997 4365	02 4997 4208	
2126	Australia	02 9481 0091		0417430655
2100	Australia	02 9905 2707	02 9939 0373	0414547339
2100	Australia	02 9905 2707	02 9939 0373	0414547339
2100	Australia	02 9905 2707	02 9939 0373	0414547339
2100	Australia	02 9905 2707	02 9939 0373	0414547339
2192	Australia	02 9704 7777	02 9740 9798	
2903	Australia	02 6296 2425	02 6296 2426	0412623105
2903	Australia	02 6296 2425	02 6296 2426	0412623105
2903	Australia	02 6296 2425	02 6296 2426	0412623105
2903	Australia	02 6296 2425	02 6296 2426	0412623105
2160	Australia	02 9448 9486		0433394724
2134	Australia	02 9744 7444	02 9747 6204	
2134	Australia	02 9744 7444	02 9747 6204	
2019	Australia	612 8336 2200	612 9695 7088	0415465535
2019	Australia	612 8336 2200	612 9695 7088	0410697736
2282	Australia	02 4942 5184		0425296668
5039	Australia	08 8275 9700	08 8374 3944	0417314840
2166	Australia	02 9727 3600	02 9727 7864	
2166	Australia	02 9727 3600	02 9727 7864	
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2166	Australia	02 9727 3600	02 9727 7864	
2166	Australia	02 9727 3600	02 9727 7864	
2166	Australia	02 9727 3600	02 9727 7864	

Exhibit D

EXHIBIT

Supplier Selection Criteria Response: Commercial & Technical Assessme Objectives-Monitor

Item	Category	Objectives
1	Procurement	Provide a history of your company and evidence of your on-going
		viability. Please supply your company's financial statement for the past
		three years. Indicate which banks used to finance projects/cash flow.
		Indicate insurance company used and accounting/auditing company
		used
	Response	Tatung Company of America, Inc. (TUS) is part of Tatung Group
		based in Taipei, Taiwan. It was founded on November 22, 1972.
		Tatung is one of the largest computer and consumer electronics
		manufacturers in the world with world-class customers, such as
		Hewlett Packard, IBM, NEC, Gateway 2000 and Hitachi.
		Our headquarter office locates at 2850 El Presidio St. Long Beach,
		CA 90810. We have manufacturing facilities around the world.
		With more than \$7 billion in sales, 30,000 employees, ISO certified, many
	derl size.	R&D and manufacturing facilities around the world, Tatung has the
		technology, resources and financial strength to provide Aristocrat with the
		state of the art product with quality and competitive prices and on time
		delivery and services.
		Please see financial information in Attachment I.
2	Procurement	The supplier must provide company profile detailing the number of
		year's experience in the specific business and contact names of the
		least three long-term high volume customers with most similar product
		demand who can be contacted for reference checks.
	Response	Tatung Co. of America, Inc. has been in Video Display Market for 25
		years with experience and expertise in Gaming Sector as well as Touch
		Screen Technology Related Product Sector.
		Below are our long-term high volume customers.
		• Bally Technologies: Mr. Hector Feliciano, Sr. Director of Material

	•	
		Management
		Email: hfeliciano@ballytech.com, Tel: (702) 584-7802
		• Pelco: Mr. Leo Labbe, Vice President Procurement
		Email: <u>llabbe@pelco.com</u> , Tel: (559) 292-1981
		Blackstone: Mr. Carlos Rodriquez, Vice President of Operations
•		Email: carli@blackstoneonline.com, Tel: (305) 639-9590
3	Procurement	What is the expected workflow (sequence of events) for your supply
		chain, starting from original manufactures and ending in your
		customers venue.
	Response	Please see Attachment II for detail.
4	Procurement	Describe your policy, giving examples of implementation, in respect of
		investment in capital equipment, new technology and training.
	Response	At Tatung Co. of America, Inc., our goal is to provide the best products
		at the best prices. In order to be competitive, we thrive ourselves with
		knowledge and ability to stay ahead.
		With access to industry trend information, we arm ourselves with the
		latest technology, equipments and people. We recently purchased SMT
		line and various test equipments to make sure that our products meet
		RoHS standard. mee
		Moreover, we constantly participate in technology & industry seminars.
		to update the market trend and technology. We also have A in-house
		training for engineers, technicians and sales team to make sure
		everyone in our organization are up to date.
5	Procurement	What percentage of work would this Aristocrat business represent to
		your company in dollar terms? > 81. of TUS
	Response	Aristocrat business opportunity will account for 12% of total revenue.
6	Procurement	Need to complete supplier compliance documentation if successful.
	Response	Agree
7	Procurement	Describe risk management plan. 1. potential problems 2. preventive
÷		actions 3. contingency action and what is the maximum period of

downtime under your contingency plan? 4. outline insurance of

		damage extended to A	ristocrat.
	Response	1. Potential problems:	- Nature disasters = 77 system to luve.
			- Shortage of Panels
			- Political Situation
		2. Preventive Actions	- Tatung Group has manufacturing facilities in
			many continents around the world. We will
	ווי אי מ	product liability. up to our policy. penetitary	use other facilities in case the current one
4.	# 15 Year	Piocett	can't perform the function.
	ionalitance i l	op to	- We plan to offer 2 types of panels for approval.
	17.3011.22	-alieu	These panels are similar in performance and
	ode to	out pointy.	can be used in change of panel shortage.
	00 2 j	perietilary	- As mentioned, we have many manufacturing
	,	÷1	facilities. If there is any situation, we could
	भ उग्रत्व	÷⊌′.	use other locations to continue the supply.
		ey. (Unibeelle).	- IT support in case of system failure. We have a
	Ml. Harild	SA. (Childrenes.	remote backup in case our in-house system fails.
			This ensures that we will be able to operate
			continuously without any downtime. ທາກວນີ້ ໃຫ້ເຮັ້າ I downtime: Maximum downtime is 30 days.
_	_		·
8	Procurement		term is 45 days from the time that we scan the
		product. Please advice	-
	Response	,	5 days from the time the item is scanned is
		acceptable to us.	
9	Procurement	-	affiliated entities have a pecuniary interest
		_	or part ownership, etc.) in any of your component
		or service providers?	
Tolona.	Response stateholde ep7	We will use ChungH	wa Picture Tubes, LTD. (CPT) as our primary
602 12mg	rest shareholde	supplier. We have a st	rong good relationship with CPT, as they are one
	, 57	of our affiliates compa	anies. CPT is one of the world tops 5 LCD panel/
07	C1.		
		In the past experience	s, CPT has shown the willingness and ability to
			•

meet their commitments. Even in shortage of the panel supply, Tatung Company of America, Inc. was able to get the allocation from CPT and preferred pricing.

10 **Procurement** Are there any special properties, features or characteristics of your company not defined above that you feel should be described here?

Response

Tatung Company of America, Inc is part of Tatung Group. With sales of more than X billion dollars last year, we have manufacturing and office facilities around the world.

asic test

We are one of the top manufacturers in Advance Display Technology field silve of the seri. / Cultury edge.
with access to high-class R&D facilities and industry trend, such as LED Bed-Lighted LCD panel. We were the first supplier of CGA and VGA monitor to IBM with high success when product was introduced to the 64 - 40 market.

Not only we can provide various panel sizes used in Video Display market, we are also a manufacturer of Large Format LCD & Plasma TV monitors. 2.3 We will require liaison points in your organization that are fluent in English (spoken and written). Please provide the names and titles of staff you propose for such engineering, production, and procurement liaison.

Procurement

We set up a dedicate team to support and response to Aristocrat in a timely manner, as well as to ensure that every aspect of the operation is taken care of. Below are our team members.

Response

- Project Manager: Edward Chen, Email: echen@tatungusa.com, ext. 116
- Project Coordinator: Teddy T., Email: sthamron@tatungusa.com, ext. 109 for US Operation, Brian Spilsbury, Email: brains@merddin.com.au for Australia Operation
- Production Manager: Michael Lee, Email: mlee@tatungusa.com, ext. 202
- Electrical Engineer: Bryan Lin, Email: blin@tatungusa.com, ext. 160
- Mechanical Engineer: Peter Farzin: <u>pfarzin@tatungusa.com</u>, ext. 362
- Touch Screen Engineer: Trung Thai, Email: tthai@tatungusa.com, ext. 286
- Quality Assurance/Quality Control Manager: Eric Tseng, Email: ctseng@tatungusa.com, ext. 217
- Procurement manager: Jimmy Yu.

11

12	Procurement	Aristocrat request transparency of costing on quotations if you are successful,
		do you agree? defeled board.
	Response	Yes, we will provide detail cost structure in the BOM level, including
		overhead and profit margin if successful.
13	Procurement/R&D	Aristocrat expects the supplier to provide engineering samples for evaluation
		with any significant change in product specification. The cost of these
		samples (1-4) will be borne by the supplier. The supplier will also be
		responsible for ensuring new products meet the required regulatory standards
		and will be responsible for such testing and certification as may be required
		in this area.
	Response	Agree
14	Procurement/Marketing	The supplier will provide advice on market and technology trends, this data
		will include manufacturer lines, screen size sales, technology cycles, price
		trends, new products and applications. This advice is expected on a 6
		monthly or more frequent as required basis. Please describe how you
		company will satisfy this request.
•	Response	With our knowledge and expertise, we will provide Aristocrat with industry
LEO	response	trend, new/emerging technology and needed data to stay ahead of the
يندول ويدا	color a performance	competition.
<i>ve</i>	•	We will provide Aristocrat with "Market & Technology Trend Review" on a
		quarterly basis. eg emerging lech/product time. will become metture
15	Procurement	Aristocrat will require the lodgment of supplier IP in escrow as in attached 16.19
		document – with release to ATA to allow us to manufacture in the event of a
		disruption to supply continuity. Please comment on your acceptance of the result of
•		escrow clause in the global VMI supply agreement.
	Response	Agree
16	Procurement	Agreement term. Aristocrat is open to a longer-term supply solution - with
	•	the expectation that this longer-term supply will yield mutual benefits. For
		example, Aristocrat expects a longer-term agreement will allow the supplier
		more freedom in engineering support and development work, knowing that
		the results of such effort can translate into supply during the term of the
		agreement. Please advice your views on the mutual benefits of a five-year
		supply agreement. Please address in your response how you would propose

incre product of officency.

17 Procurement

Response

18 Procurement

Response large volume - relationship.

not only

that we can both be assure of the competitiveness of your supply during this term.

Signing long-term contract with Aristocrat will enable us to provide a continuous support in terms of R&D. Not only the agreement will benefit in terms of new product development, but it will also help us lower the cost, which in turn benefit Aristocrat.

We will transfer these benefits to Aristocrat thru lower prices, continuity of R&D project and support, more buying power & negotiation power, etc.

All of these will benefit both parties tremendously in a long run. We are not looking for a trading partner, but "Strategic Partner".

Aristocrat expects to avail itself of emerging touch technology and requires touch technology for many of its products. Your ability to access and obtain high service levels from these technology providers is important to Aristocrat. Please describe your relationship with touch technology providers, including annual spend and volume.

We have been using both 3M and Elo Touch Technology in many of our product lines. The annual usage is as followed

- 3M Capacitive Touch Technology: 25,000 to 30,000 units/yr, \$4.5 to 5 million/yr in dollar value
- Elo Resistive Touch Technology: 25,000 to 30,000 units/yr, \$2.5 to 3 million/yr in dollar value 15,000 - 20,000 42,2-3.0
- Unitop IR Touch Technology: We started using this new Touch Technology with our recent projects.

How will you protect supply continuity of display configurations given the volatility and changes in the availability of different screens and sizes? الله الله الله As mentioned before, we have a closed relationship with panel manufacturer (ChungHwa). We have access to product roadmap. If there were any changes in terms of panel supply, we would be notified at least 6 months in advance. As a result, we could transfer this knowledge to Aristocrat to prepare any needed inventory to ensure continue of supply and to plan any future adjustment.

Moreover, we have a team of engineers who are specialized in Firmware

19 Material

20 Material

Response

Response

Alignment of email

ore of the reportable servicy

provider

21 Material

Response

need to employe ee quelity 2 cost reservit.

design to accommodate changes in configuration and screen sizes.

Describe your current service model and outline how your company will be able to service faulty products through multiple regions, including turnaround time, fault reports, corrective actions and all supporting documentation.

Our current turnaround time for service/repair is 3 days. We summit a finding vally on latter prayers z acts plan report to our customers to ensure open communication. The constitution of the constitution o

To make quick turnaround times and a high quality of repairs, we have resources to do repair in house. We request supplier to provide free of charge component and the necessary training to our staff. The warranty repair fee will be charged to the supplier. Please indicate if you agree and what better solutions you have.

For US Operation, we will use our facility in Long Beach, CA as a service base for any faulty products. We will arrange a pick-up, twice per week. The standard turnaround time is 3 days.

Demonstrate the use and availability of current technology to facilitate the electronic transfer of forecasts and technical data.

Besides using E-Mail/file attachment for communication, we are also adopting several communication standards to collaborate with our suppliers and business partners. We utilize TCP/IP technology to interconnect its LANs/WANs and using AS2 protocol as the primary function for the EDI/XML communication.

We also apply T1 line/frame for special system requirements. We use B2B (business to business) gateway solution from Cyclone to transmit data files to our business partner. This technology provides a secure and scaleable network that serves as the foundation for EDI or B2B collaboration. The gateway provides a unified framework that helps us establish relationships with trading partners and transact business, and helps us in-source the fundamentals of transaction delivery and management. The AS2 (Applicability Statement 2) specification of the

EDIINT (EDI over the Internet) standard is applied for sending EDI

data over the Internet. The AS2 specification references AS1 packaging and security standards, and defines how to use HTTP

•		(hypertext transfer protocol) to transport the EDI data. We also have
		the capability to transmit EDI data via a value-added network.
22	Material	Outline systems and procedures are in place that will maximize the reliability
reascratte at 1. Response in case of high volume. X		of supply for unscheduled products within 10 working days of notice by ALI. We plan to have safety stock in place to support variation in demands. Also,
in case of	high volume. X	most of the components used in this project are commonly used in many of
		our current products. In the event of shortage, we will allocate needed
		inventories to support the flow of demand.
23	Material	To maintain visibility of order movement, suppliers need to cooperate with
		our designated freight forwarder who will strive to provide competitive
		service and price level.
	Response	Agree.
24	Material	Aristocrat operates a VMI program as described in an attached document.
		The VMI contract specifies consignment payment against consumption. Do
		you agree to work to the VMI consignment stock mode?
	Response	Agree.
25	Material	Supply continuity is critical to us. Describe how/whether your company
		manages forecast variations in the control of purchasing and manufacturing schedules?
	Response	We have various tools in managing forecast variations, including MPR, EDI and
		PSI. We are implementing weekly data review to adjust to any changes in acion
		demand level. In case of large quantity variation, we will make immediate
		adjustment, so that everything reflects the change in real-time stage.
26	Material	Aristocrat intend expanding VMI Operations. Advise how you will be able to
		support and expansion of VMI from dual hubs (Australia & USA) to multiple
		VMI hubs globally.
•	Response	As mentioned before, Tatung Group has many facilities, both manufacturing
		and logistics around the world. We are able to support Aristocrat's expanding
		VMI operations. For example, if Aristocrat would expend its operation to
		Europe, we have logistic facility in Telford, UK.

27 R&D

Please describe your technical support team and policy & process in place to ensure speedy feedback on technical issues.

Response

We have a team of engineers coving all aspects of the project, including mechanical, electrical and Touch Screen engineers, to ensure speedy feedback on any technical issues that may arose. Please refer to No. 11 for team member contact information.

It is our policy to response to enquiries with 24 hours. We have a toll-free number dedicated especially to technical support issues.

Moreover, one of our team members, Mr. Brian Spilsbury, is a local personal for Austral Operation to ensure immediate response.

28 Mfg Engineering

Provide documentation on external quality accreditation. Supply information on the current external auditors utilized by the company, also outline the results of the most recent external company quality audit.

Response

Tatung Company of America, Inc. is ISO 9001:2000 Certified. The more recent external audit was in February 16 - 17, 2006. The objectives of the audit were

- To confirm the management stem complies with the applicable elements of the Standard
- To confirm the organization complies with its own policies and procedures
- To confirm the management system is suitable for the organization
- To confirm that the management system is suitable and effective and enable the client to achieve its own objectives.

One of the positive aspects of the Management System the auditor made notes is that the shipping status of products is being continual improved to provide better on-time delivery to our customers.

The results of the Surveillance Audit indicate that the Management System of Tatung Company of America, inc. is suitable and effective and will continue to by recommended for registration to SI 9001:2000.

Please refer to Attachment III for audit detail.

29 Mfg Engineering

Your company policy and procedure for the provision of warranty on all products to be supplied. Specify the length of the warranty period. Warranty will start on fitting of item to Aristocrat machines.

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Res	ponse

Our standard warrant is 1-year parts and labor. However, in order to fully support Aristocrat and provide an added service, we will offer optional 2nd and 3nd year warranty on parts and labor at reasonable additional cost.

However, if any of the component manufacturers offer us any longer term of warranty, we will pass those warranties on to Aristocrat at no cost.

30 Mfg Engineering

Faulty product will be subject to a Non-Conformance Advice procedure. A credit will be applied for the faulty goods and the supplier adviséd that the faulty goods are available for their pick-up. The goods will be quarantined in a MRB (material review board) near the delivery point and may be inspected at this time. Costs of return, rework etc. are borne by the supplier. Please indicate what turnaround time is offered to replace non-confirming products.

Response

For US Operation, we will arrange a pick-up of the non-conformance units every offer work of 11 need be can increase increase increase twice a week. The turnaround time is 3 days.

pont venture.

31 Mfg Engineering/R&D

All material utilized must satisfy RoHS and UL requirements. RoHS & UL certificate of conformity required to be signed by the supplier.

Response

Agree.

aference av.

32 Mfg Engineering

Demonstrate current systems and procedures in place to document and facilitate Engineering changes.

Response

All our documentation procedures are based on ISO standard, including Engineering changes. Please refer to Attachment IV for detail.

33 Mfg Engineering

Outline a test strategy with details of current test capabilities to meet ATA requirements, include a proposal for the implementation of any corrective action to meet deficiencies noted.

Response

It is our standard practice to put our products to various tests to ensure high quality, liability and performance. The tests are implemented in various stages; R&D stage, Design Stage and Component approval Stage. The tests include, but not limit to

- Environmental test: Temperature, Humidity, Transportation, Vibration, etc.
- Liability test of all key components
- Safety Tests: UL, FCC, TUV, etc.

In case any technical issue arose, our R&D team will work on the unit to find the root cause. This will enable us to solve the problem at the cause and stop

		any further complication.
34 Mfg Engineering/R&D		Outline current systems and procedures in place that ensure all products
		conform to Aristocrat's EMC, ESD, Safety Standards.
	Response	As mentioned earlier, we implement various tests to ensure our products meet
		and exceed our customers' expectation, including safety. It is our standard
		policy to comply with all laws and regulations required. If successful, we will
	•	apply for all needed certificates to satisfy Aristocrat's requirements.
35	Mfg Engineering	Provide detailed information on all sub-contractors use to manufacture
		products supplied to ATA.
	Response	We plan to use mainly 2 of our manufacturing facilities, Tatung China and
		Tatung Thailand.
		Tatung China was found in 1999 with capability of 350,000 monitors per
		month.
		Tatung Thailand was founded in 1900. The faetory mainly produces LCD TV
		and PC monitors. It also capable of producing larger format display monitor
		as well.
36	Marketing	Supplier should provide the current monitor revenues, companies it supplies
		to, what does it supply (CRT, LCD, Size, Type of T/Screen) to them.
	Response	The total current monitor revenues were \$30.6 million for the year 2005.
		Below are the lists of our top current customers, based on annual sales.
		 Bally Gamins – LCD & CRT, ranging from 14" to 37" w/ Capacitive
		Type Touch Screen
		 Rosehall Investments – 12.1" LCD monitor w/o Touch Screen
		 Blackstone Calling Card Inc. – 15" LCD w/ Resistive Type Touch
		Screen
37	Marketing	Supplier should provide information if it has its research facility or
	·	development facility related to the Display, such as the ability to develop
	•	Blectronic driver/Mechanical Basketries or the T/Screen for the Display
		'(CRT & LCD). except.
	Response	We have R&D facilities around the world. We will utilize 2 of our main R&D
		facilities in US and Taiwan. Our engineers can design a firmware for Touch
		Screen application.
38	Marketing	Supplier should provide its ability to shorten the Delivery lead time (although
		we issue a 6-month+ forecast, we would like to reduce our procurement

commitment to two months or less)

Response reduce to 3-4 min? negotiet

With our long relationship with our suppliers, we, often time, are able to negotiate a shorter lead time/rush delivery when needed. This procedure is currently being implemented on a regular basis to ensure our competitiveness and to exceed our customers' expectation.

39 Marketing Supplier should be able to demonstrate/show its relationship with CRT, LCD, T/Screen manufacturer/s in getting access to their R&D and Manufacturing plan/s to assist Aristocrat's forward thinking about our new products. Will the supplier present on a regular basis to Aristocrat its recommendations and technology trend information?

Response

As mentioned before, we have a strong relationship with one of the world largest Panel manufacturers; CPT. CPT provides us their product roadmap . With this information, we are able to identify industry trends, new & emerging technology. As a result, we would pass the information in form of recommendation to Aristocrat to support new product development.

We also have a strong relationship with 3M and ELO as we are one of the key accounts.

We not only have an expertise in Video Gaming Display, but also in PC market as well. For example, the wide-screen monitors are becoming a new trend in PC market. Microsoft already develops software, VISTA, which supports these changes. Soon this trend will become popular in Gaming market as well.

With this knowledge, we will make a recommendation for new product development to look into this trend and use it as based information. We will also source/recommend the proper Touch Screen Technology, Firmware and all the needed technology to complete the project.

40 Marketing/R&D Supplier should be able to show its expertise and ability in Display systems (LCD, CRT, T/Screen) to cater for Aristocrat's needs for compliance to regulatory requirements, Service reliability, early warning for pending changes to the Display components.

Response

Our R&D team is well aware of all the changes in regulations, not only domestically, but also internationally. Take RoHS for example, once we realized the new regulation will be implemented, we prepare all the needed paper to make sure our products get certified on a timely manner. So that our

		• • •
		flow of product would go smoothly. As a result, our customers do not have to
		worry about the products they are getting.
41	Warehouse	The supplier shall provide evidence that it has the ability to provide product
		in bar coded packaging for identification purpose.
	Response	Currently Tatung has been generating several types of bar code/ID to
		fulfillment different business requirements.
		For example:
		Code 128 - It is a high density, variable length, and continuous
		alphanumeric zymology. Each code 128 characters consist of six
		elements (Three bars and three spaces). It is designed for complex
		encoded product identification. This is also known as a USD-6
		barcode.
		Code 39 - This bar code is the standard for many industries, and it is
		one of three hymnologies identified in American National Standards
		Institute (ANSI) standard. Usually this code is also known as USD-3
		code and 3 of 9 codes.
		RFID - Radio frequency identification technology dramatically
		impacts and improves the way manufacturers; distributors and retailers
		do business and interact with each other. RFID technology replaces
		printed barcodes with electronic tags that can discretely identify
		individual items and can be automatically tracked as they move
		through distribution channels.
42	Warehouse	The "Aristocrat Warehouse Receiving Guideline" describes the procedures
		and requirements for receipt of good, please indicate if you are able to satisfy
		the requirements.
	Response	Yes, we are able to satisfy the requirements indicated in the "Aristocrat
		Warehouse Receiving Guideline".
43	Warehouse	Please indicate if container (carton box) package meets OH&S standard.
	Response	Yes, the container (carton box) package meets OH&S standard.
44	Warehouse	Describe how you would ensure the effectiveness of product packaging in

terms of minimization of damage and environmental impact. Issues to be

addressed are ease of access to parts on Aristocrat's assembly line; protection of parts from damage; recyclable, reusable and stackable packaging.

Response

As part of our R&D process, the engineers would design packing material that would fit with the product and ensure that the material is strong enough to be transported a long distance.

All of our packaging materials are reusable to minimize environmental impacts. Most of them are stackable to save storage space as well as to save shipping space & cost.

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Exhibit E

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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

Certified Copy

IN RE: TFT-LCD (FLAT PANEL))
ANTITRUST LITIGATION,)
·) .
Plaintiff,)
)
v.) Case No. M07-1827 SI
) MDL No. 1827
This Document Relates to:)
)
ALL DIRECT PURCHASER ACTIONS,)
)
Defendant.)
)

Deposition of EDWARD CHEN, taken on behalf of Plaintiff, at 15165 Ventura Boulevard, Suite 400, Sherman Oaks, California, beginning at 9:04 a.m. and ending at 11:32 a.m., on February 13, 2009, before GRACE CHUNG, CSR No. 6246, RMR, CRR, CLR.



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APPEARANCES
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 2
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 3
 4
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     For the Defendant Tatung Company of America:
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- 1 MR. AHERN: Object to the form.
- 2 A. I don't know. I think we buy from Tatung.
- 3 So where they get their PDP, I don't know.
- 4 BY MR. ELIAS:
- 5 Q. Mr. Chen, to which company does Tatung
- 6 America sell LCD products?
- 7 A. We have over a couple of hundred customers,
- 8 so I don't know.
- 9 Q. Could you tell me the largest one?
- 10 A. Largest one would be Bally Gaming. And the
- 11 second one would probably be Pelco.
- MR. AHERN: Can you spell that?
- 13 THE WITNESS: P-E-L-C-O.
- 14 BY MR. ELIAS:
- 15 Q. Does Tatung America sell LCD products to
- 16 Hitachi?
- 17 A. No.
- 18 Q. Does Tatung America sell LCD products to
- 19 NEC?
- 20 A. No.
- MR. ELIAS: I'm now marking Exhibit 4.
- 22 This is a multiple-page document. It starts with TUSP
- 23 9379.
- 24 (Deposition Exhibit 4 was marked for
- 25 identification by the reporter and is

- 1 attached herewith.)
- 2 MR. ELIAS: Here is a copy for counsel.
- 3 BY MR. ELIAS:
- 4 Q. I just want to direct your attention to --
- 5 oh, strike that.
- Does this document look familiar to you,
- 7 Mr. Chen?
- 8 MR. AHERN: Object to the form.
- 9 A. Yes.
- 10 BY MR. ELIAS:
- 11 Q. What is this document?
- 12 A. I believe this is response to RFQ from one
- of our customer, which I believe is Pelco, I believe.
- 14 It looks like it's Pelco.
- 15 Q. And does "RFQ" stand for request for
- 16 quotation?
- A. For quotation or proposal. RFP or RFQ.
- 18 Q. Now, on the first page, under item 1
- 19 "Response," could you just read the first three
- 20 sentences, please?
- 21 MR. AHERN: Can I have an objection to
- 22 this? Is there any foundation that he's actually ever
- 23 seen this document before or that he had anything to
- 24 do with writing it, or does he know who the author is?
- 25 I mean, there is no foundation for this document at

- 1 this point. And it's got handwriting on it.
- 2 BY MR. ELIAS:
- 3 Q. Do you know whose handwriting that is,
- 4 Mr. Chen?
- 5 A. It looks like Teddy's handwriting. Teddy's
- 6 last name, I cannot spell the last name. I think it's
- 7 T-H-A-M-R-O-N. I cannot spell her last name.
- 8 Q. Have you seen this document before?
- 9 A. No, I didn't see -- I have not seen this
- 10 document in this form.
- 11 Q. Is it your regular practice to review the
- 12 request for quotation?
- 13 A. Yes.
- 14 Q. Now, can you please read the first three
- 15 sentences under item 1 response?
- 16 A. Which one?
- MR. AHERN: Objection to form.
- A. Which one? You mean the response?
- 19 BY MR. ELIAS:
- 20 Q. Yeah, the first three sentences, please.
- 21 A. "Tatung Company of America, Inc. (TUS) is
- 22 part of Tatung Group based in Taipei, Taiwan. It was
- 23 founded on November 22, 1972. Tatung is one of the
- 24 largest computer and consumer electronics..."
- 25 Q. Keep going. You are in the middle of the

1	sentence.
2	A. You want me to read whole or
3	MR. AHERN: I think he heard you to mean
4	the first three lines, but finish that sentence.
5	A. Okay. "consumer electronics
6	manufacturers in the world with world-class customers,
7	such as Hewlett Packard, IBM, NEC, Gateway 2000 and
. 8	Hitachi."
9	BY MR. ELIAS:
10	Q. So is it true then, that Tatung America
11	does sell to both Hitachi and NEC?
12	A. No, here, we are talking about Tatung
13 (headquarter in Taiwan.
14	Q. What about Apple? Does Tatung sell LCDs to
15	Apple?
16	A. I believe, yes. Was. Was selling to, yes.
17	Q. At one time
18	A. Yes.
19	Q Tatung sold LCDs to Apple?
20	A. Yeah, I do recall that, but it was from
21	Tatung headquarter.
22	Q. The LCDs sold to Apple were Tatung
23	headquarters?
24 -	A. Correct.
25	Q. Has Tatung America ever sold LCDs to

1 Compaq? 2 A. No. 3 Q. What about to Packard Bell? I don't know because I'm never involved in 5 that. But at the time, if I am correct, it should be 6 all handled by Tatung headquarters. 7 MR. AHERN: The question is: Does Tatung 8 America sell LCD products to these companies? 9 A. The answer is no, if I'm correct. No. 10 MR. AHERN: Does Tatung -- did Tatung 11 America ever sell any LCD products to Apple? 12 THE WITNESS: No. 13 MR. ELIAS: Now, I will mark Exhibit 5. I will give a copy for you, Counsel. 14 15 (Deposition Exhibit 5 was marked for 16 identification by the reporter and is 17 attached herewith.) 18 BY MR. ELIAS: Please take a look at this document. 19 Q. 20 Does this document look familiar to you? 21 Yes. A. 22 Q. So you've seen this document before?

A.

Q.

A.

Yes.

23

24

25

This is our sales pitch to Compag, a new

What is this document?

customer or potential customer. 1 2 Q. If you turn to where the page number on the bottom says 24290. 3 4 A. Yes. 5 Q. Now, there it says, "Major Customer List, 6 Compaq, Hewlett Packard, Packard Bell/NEC, IBM and 7 Apple Computers." Are these customers to which Tatung America sells LCD products? 8 9 A. No. 10 MR. AHERN: Objection. Asked and answered. 11 Α. No. BY MR. ELIAS: 12 Q. Are these customers to whom Tatung America 13 sells LCD panels? 14 15 A. No. 16 Q. Why are these companies listed as major 17 customers? That's represents for Tatung headquarter 18 19 customers. And those -- under there is Tatung America 20 customers, these underneath there. 21 This presentation, the title of it is Q. "Tatung Company of America and Diebold Incorporated, a 22 Win/Win Partnership"; correct? 23 24 A. Yes. 25 MR. AHERN: Actually, I think this is two

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1
     sentence.
 2
          A.
               You want me to read whole or --
 3
               MR. AHERN: I think he heard you to mean
     the first three lines, but finish that sentence.
 4
 5
          Α.
               Okay. "...consumer electronics
 6
     manufacturers in the world with world-class customers,
 7
     such as Hewlett Packard, IBM, NEC, Gateway 2000 and
 8
     Hitachi."
 9
     BY MR. ELIAS:
10
               So is it true then, that Tatung America
11
     does sell to both Hitachi and NEC?
12
          Α.
               No, here, we are talking about Tatung
     headquarter in Taiwan.
13
14
               What about Apple? Does Tatung sell LCDs to
          Q.
15
     Apple?
16
               I believe, yes. Was. Was selling to, yes.
          A.
17
          Q.
               At one time --
18
          A.
               Yes.
19
          Q.
              -- Tatung sold LCDs to Apple?
20
               Yeah, I do recall that, but it was from
          A.
21
     Tatung headquarter.
22
               The LCDs sold to Apple were Tatung
          Q.
23
     headquarters?
24
          Α.
               Correct.
25
          Q. Has Tatung America ever sold LCDs to
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- 1 Compaq?
- 2 **A.** No.
- 3 Q. What about to Packard Bell?
- 4 A. I don't know because I'm never involved in
- 5 that. But at the time, if I am correct, it should be
- 6 all handled by Tatung headquarters.
- 7 MR. AHERN: The question is: Does Tatung
- 8 America sell LCD products to these companies?
- 9 A. No. The answer is no, if I'm correct.
- 10 MR. AHERN: Does Tatung -- did Tatung
- 11 America ever sell any LCD products to Apple?
- 12 THE WITNESS: No.
- MR. ELIAS: Now, I will mark Exhibit 5. I
- 14 will give a copy for you, Counsel.
- 15 (Deposition Exhibit 5 was marked for
- identification by the reporter and is
- 17 attached herewith.)
- 18 BY MR. ELIAS:
- 19 Q. Please take a look at this document.
- Does this document look familiar to you?
- 21 A. Yes.
- 22 Q. So you've seen this document before?
- 23 A. Yes.
- Q. What is this document?
- 25 A. This is our sales pitch to Compaq, a new

- 1 customer or potential customer.
- 2 Q. If you turn to where the page number on the
- 3 | bottom says 24290.
- 4 A. Yes.
- 5 Q. Now, there it says, "Major Customer List,
- 6 | Compag, Hewlett Packard, Packard Bell/NEC, IBM and
- 7 Apple Computers." Are these customers to which Tatung
- 8 America sells LCD products?
- 9 **A.** No.
- 10 MR. AHERN: Objection. Asked and answered.
- 11 A. No.
- 12 BY MR. ELIAS:
- 13 Q. Are these customers to whom Tatung America
- 14 sells LCD panels?
- 15 A. No.
- 16 Q. Why are these companies listed as major
- 17 customers?
- 18 A. That's represents for Tatung headquarter
- 19 customers. And those -- under there is Tatung America
- 20 customers, these underneath there.
- 21 Q. This presentation, the title of it is
- 22 "Tatung Company of America and Diebold Incorporated, a
- 23 Win/Win Partnership"; correct?
- 24 A. Yes.
- MR. AHERN: Actually, I think this is two

- 1 presentations.
- 2 A. This is -- yeah.
- 3 MR. ELIAS: You are right. Thank you,
- 4 Counsel.
- 5 BY MR. ELIAS:
- 6 Q. If you look on page 24276, the page we
- 7 looked at is part of the presentation entitled "Tatung
- 8 Company of America, Inc., and CMS Computers, Ltd., a
- 9 Win/Win Partnership."
- 10 Was this a sales pitch created by Tatung
- 11 | Company of America?
- 12 A. Yes.
- 13 \ Q. And on the customer list, you have listed
- 14 major customers of Tatung Taiwan?
- 15 A. Correct.
- 16 Q. Why didn't you list the major customers of
- 17 Tatung America?
- 18 A. I do. The bottom part is our customer.
- 19 From here is Tatung U.S. customer.
- MR. ELIAS: The witness is indicating that
- 21 on page 24290, where it says "Casino/Amusement Gaming
- 22 Customers, " from that portion of the document down,
- 23 those are the customers of Tatung America.
- 24 BY MR. ELIAS:
- 25 Q. Is that correct?

- 1 A. Yes.
- 2 Q. So just to be clear, on the sales pitch
- 3 | that was created for Tatung America to get business,
- 4 | it listed major customers of Tatung Taiwan?
- 5 A. Correct.
- 6 Q. Does Tatung America consider Tatung Taiwan
- 7 customers to be its customers?
- 8 A. Could you repeat your question?
- 9 Q. Yes. The customers of Tatung America, does
- 10 Tatung America consider those customers -- sorry.
- 11 Misstated it.
- The customers of Tatung Taiwan, does Tatung
- 13 America also considered those customers to be its
- 14 customers?
- 15 A. No.
- 16 Q. But they are listed as major customers in a
- 17 presentation made by Tatung America; right?
- 18 A. Yes.
- 19 Q. Now, to follow up on this line of
- 20 questions, with respect to these LCD products that are
- 21 sold to various entities or other companies, when
- 22 those products are brought to market, what's the brand
- 23 on the product?
- A. We can have an OEM brand like Pelco. We
- 25 use them for Pelco. For certain market like POS

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1
               10:18 a.m.)
 2
     BY MR. ELIAS:
 3
               We are back on the record. Mr. Chen,
     previously you testified about the companies from whom
 4
 5
     Tatung America purchases LCD panels. I just wanted to
 6
     follow up by asking you if you know approximately what
 7
     percentage of Tatung America's panels it gets from
 8
     each of those different companies. Can you help me
     with that?
 9
10
               I think I do not have that information with
11
          I believe we already provided that specific
     information to you or to them before. So you should
12
     have that information. I do not prepare that
13
14
     information to answer you.
15
          Q.
               Well, I haven't seen that information, but
16
     you testified that Tatung America gets panels from LG,
17
     CPT, AUO, Chi Mei, Samsung, and Sharp; correct?
18
          A.
               Yes.
19
          Q.
               Would you know which of those companies
20
     supplies the greatest number of your panels?
21
               I think what I can tell you is that from my
22
     memory, I probably can for last year. For example,
23
     last year, probably we are using probably about 60
24
    percent from LG, 20 percent -- 10 to 20 percent from
25
    Chi Mei, and there may be 10 percent from Sharp.
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- 1 CPT, probably about 5 to 10 percent. That's what I
- 2 can tell you from last year. But if you are asking
- 3 for many years ago, we'll try.
- 4 Q. That's fine. So it sounds like LG is your
- 5 dominant provider of panels?
- 6 A. Correct, at the moment.
- 7 Q. Does Tatung America manufacture LCD panels?
- 8 A. No, we do not.
- 9 Q. Does Tatung America have its own factory?
- MR. AHERN: For what?
- 11 MR. ELIAS: For manufacturing LCD panels.
- 12 A. No, we do not.
- 13 BY MR. ELIAS:
- 14 Q. I would like you to take a look at number 5
- 15 there. This was the one with the two PowerPoints.
- 16 A. Yes.
- 17 Q. If you turn to 24273, Bates number,
- 18 Mr. Chen, could you just read the bullet point after
- "Consistent Quality"?
- MR. AHERN: Object to the form.
- 21 A. Sure. "Tatung is an integrated supplier.
- 22 We manufacture most of the key components ourselves,
- 23 including the CRT, so we can guarantee the consistent
- 24 quality of our product."
- 25 BY MR. ELIAS:

- 1 Q. Okay. What is CRT?
- 2 A. That's the color tube.
- 3 Q. Cathode ray tube?
- 4 A. Yes.
- 5 MR. ELIAS: I'm now going to mark Exhibit
- 6 8. Please take a look at that. Here's a copy for
 - 7 counsel.
 - 8 (Deposition Exhibit 8 was marked for
 - 9 identification by the reporter and is
- 10 attached herewith.)
- 11 BY MR. ELIAS:
- 12 Q. I would like to direct your attention to
- 13 the second-to-the-last page of this. It's Bates
- 14 number 3682. What is this document, Mr. Chen?
- 15 MR. AHERN: The whole thing? Because you
- 16 just referred to a particular page.
- 17 BY MR. ELIAS:
- 18 Q. Is this document one document?
- 19 A. I think so, yes.
- 20 **Q.** What is it?
- 21 A. It's our product brochure.
- Q. What's it used for?
- 23 A. It's used for new potential customer, to
- 24 show what product we are offering.
- 25 Q. Is this a brochure that you have reviewed?

- 1 A. Yes.
- 2 Q. All right. Let's look at page 3682. I
- 3 believe the "Consistent Quality" on the right side is
- 4 identical to what you just read. Is that right?
- 5 A. Yes.
- 6 MR. AHERN: Object to the form. The
- 7 previous one just -- you mean in the other document,
- 8 you mean? That referred to CRT.
- 9 MR. ELIAS: Let's take a guick look.
- 10 BY MR. ELIAS:
- 11 Q. Number 24273 refers to including the CRT,
- 12 but otherwise these two statements are identical under
- "Consistent Quality." Is that right?
- MR. AHERN: Object to the form.
- 15 A. Yes.
- 16 BY MR. ELIAS:
- 17 Q. I would like to direct your attention to
- 18 the left side.
- 19 Can you read the middle sentence of that
- 20 paragraph, "Tatung is the only..."?
- MR. AHERN: Objection to form.
- 22 A. "Tatung is the only video monitor
- 23 manufacturer with its own CRT and LCD panel factory
- 24 which allows us to offer our customer quality monitors
- 25 at very competitive prices and with shorter

- 1 lead-time."
- 2 BY MR. ELIAS:
- Q. What's the basis for the statement that
- 4 Tatung has its own manufacturing factory?
- 5 A. I think here, what I tried to do here, I'm
- 6 using the Tatung headquarter, because Tatung
- 7 headquarter owns the portion of the CPT. So I used
- 8 that -- I tried to create kind of a quality image.
- 9 Basically, it's a sales pitch.
- 10 Q. What is the "panel factory" referred to
- 11 here?
- 12 A. CPT.
- 13 Q. The statement says that Tatung has its own
- 14 LCD panel factory; correct?
- 15 A. It should be referred to CPT.
- 16 Q. However, it doesn't say "CPT" in the
- 17 statement, does it?
- MR. AHERN: Object to the form.
- 19 A. Yes, here I didn't mention CPT, but what I
- 20 tried to tell is CPT.
- 21 BY MR. ELIAS:
- 22 Q. Do you consider the CPT panel factory to be
- 23 your panel factory?
- A. No. I think here what I try to tell you is
- 25 that it's Taipei Tatung headquarter, and Tatung

- 1 headquarter owned a portion of the CPT, and that's the
- 2 statement I tried to tell.
- 3 Q. So let me make sure that I have this
- 4 straight. The statement says that Tatung is the only
- 5 video monitor manufacturer with its own CRT and LCD
- 6 panel factory. Tatung Taiwan owns CPT. The panel
- 7 factory you are referring to is the CPT panel factory;
- 8 is that right?
- 9 A. Correct.
- MR. AHERN: Object to the form.
- 11 BY MR. ELIAS:
- 12 Q. If you don't consider CPT panel factory to
- 13 be your factory, why does the statement refer to the
- 14 | CPT panel factory as your own?
- MR. AHERN: Objection. Asked and answered.
- 16 A. I tell you this is a sales pitch.
- 17 BY MR. ELIAS:

18

- Q. What does that mean?
- 19 A. That means that I tried to provide some
- 20 | information to my potential customer. I think Tatung
- 21 group, Tatung headquarter, does own the CPT, and CPT
- 22 | is the LCD panel manufacturer.
- Q. What does it mean to you to be an
- 24 integrated supplier?
- MR. AHERN: Object to the form.

- 1 BY MR. ELIAS:
- 2 Q. The question is pending.
- 3 A. Would you repeat your question again?
- 4 Q. When you say the Tatung is an integrated
- 5 supplier, what exactly does that mean?
- 6 MR. AHERN: Object to the form. You
- 7 haven't established that he wrote the document when
- 8 you phrased the question as saying, "what does it mean
- 9 to you?" You haven't established who wrote the
- 10 document.
- A. I think when we say "integrate," means we
- 12 buy the raw material in this case, LCD panel, and then
- 13 we convert it, and they become monitor. So that's an
- 14 integration. We add all the electronic parts, cable,
- 15 and make it an industrial monitor. So that we treat
- 16 it as -- we call it as integrated manufacturer. We
- 17 integrate with our own component and then make -- the
- 18 final product become a different format of the product
- 19 in here, convert from LCD panel into LCD monitor.
- 20 BY MR. ELIAS:
- 21 Q. Could you turn back to the PowerPoint?
- MR. AHERN: You mean Exhibit Number 5?
- MR. ELIAS: Correct, Exhibit 5.
- 24 BY MR. ELIAS:
- 25 Q. On page 24266 on this exhibit, do you see

- 1 at the bottom where it says "well-established
- 2 integration"?
- 3 A. Uh-huh.
- Q. What does that mean to you?
- 5 MR. AHERN: Object to the form.
- 6 A. I think here, I tried to tell them we are a
- 7 one-stop solution for them. They can come to us to
- 8 buy a complete open-frame monitor solution.
- 9 Q. In what way is Tatung a vertically
- 10 integrated supplier?
- 11 A. We -- like A/D board, we can offer them the
- 12 -- we can -- basically, we can supply them as a
- 13 complete unit, as a complete open-frame industrial
- 14 monitor. And so all the components, we are able to
- 15 get it or manufacture by ourselves. Basically, that's
- 16 what we try to tell our customer. We are one-stop
- 17 solution for them as far as monitor is concerned, yes.
- 18 Q. So Tatung America essentially fills the
- 19 role of a distributor for Tatung Taiwan?
- 20 A. No, no. We manufacture.
- MR. AHERN: Object to form.
- 22 A. Integration here, integration as you
- 23 integrate raw material into a final finished product.
- 24 That's the integration.
- 25 BY MR. ELIAS:

- 1 Q. What about the vertical part of it?
- 2 A. The vertical part, you can -- vertical
- 3 | market, we have gaming market, POS market, security
- 4 market.
- 5 Q. I thought the vertical part referred to the
- 6 companies that are providing you with raw materials.
- 7 Is that not so?
- 8 MR. AHERN: Object to the form.
- 9 A. No. I think I told you we buy panel from
- 10 many company. And, also, even our A/D board, we have
- 11 many source of supplier, so we are not stayed with
- 12 just single supplier. So probably maybe you read
- 13 this, I think, differently from me. I'm trying to say
- 14 for its vertical market, we can provide monitor
- 15 solution for that.
- 16 MR. AHERN: Just so we are clear on this,
- 17 this refers to CRT here.
- 18 BY MR. ELIAS:
- 19 Q. You just testified that "well-established
- 20 vertical integration" also applies to your LCD
- 21 portion; right?
- MR. AHERN: Object to the form.
- A. I think so, both, to both.
- 24 BY MR. ELIAS:
- 25 Q. Very well. Now, when we were looking at

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- Does "PO" stand for purchase order?
- 2 A. Yes.
- 3 \ Q. Does this e-mail that you wrote show that
- 4 | the price increases on LCD panels drove up the prices
- 5 | on LCD products, too?
- 6 MR. AHERN: Object to the form.
- 7 A. Of course. When the panel is the key
- 8 | component of the LCD monitor, yes, the increase will
- 9 be reflected, yes.
- 10 BY MR. ELIAS:
- 11 Q. So when the price increases on the LCD
- 12 panel, the price also increases on the LCD product
- 13 that you sell to customers in the United States?
- MR. AHERN: Object to the form.
- 15 A. Correct, yes. And probably, just for your
- 16 information, for these -- for this particular project,
- 17 the vendor is KTC, not Tatung, and the address is
- 18 China company, the company in China, KTC, yeah.
- 19 Q. Thank you.
- A. And I really don't know what panel they are
- 21 using.
- 22 Q. That's fine. How would you describe the
- 23 corporate affiliation between Tatung America and
- 24 ChungHwa?
- MR. AHERN: Object to the form.

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- 1 A. I don't see any direct association here.
- 2 But what I know is that Tatung headquarter own certain
- 3 percentage of CPT, and Tatung headquarter also own 50
- 4 percent of Tatung America.
- 5 BY MR. ELIAS:
- 6 Q. Do you consider ChungHwa a company that has
- 7 a corporate affiliation with Tatung America?
- 8 MR. AHERN: Object to the form.
- 9 A. No.
- 10 BY MR. ELIAS:
- 11 Q. Is there a corporate affiliation between
- 12 Tatung America and Tatung Taiwan?
- MR. AHERN: Object to the form.
- 14 A. I think, as I told you, I know Tatung
- 15 Taiwan own 50 percent of our ownership here of Tatung
- 16 America.
- 17 BY MR. ELIAS:
- 18 Q. So there is a corporate affiliation?
- MR. AHERN: Object to the form.
- 20 A. I don't know your definition, but that's
- 21 what I know. We have some association through the
- 22 ownership.
- 23 BY MR. ELIAS:
- 24 Q. Do you consider Tatung America a subsidiary
- 25 of Tatung Taiwan?

- 1 MR. AHERN: Object to the form.
- A. As I told you, they own 50 percent of our
- 3 ownership.
- 4 BY MR. ELIAS:
- 5 Q. Do you recall ever referring to Tatung
- 6 America as a subsidiary of Tatung Taiwan?
- 7 A. I cannot recall.
- 8 MR. ELIAS: I'm going to mark the next
- 9 exhibit Exhibit 11.
- 10 (Deposition Exhibit 11 was marked for
- identification by the reporter and is
- 12 attached herewith.)
- 13 BY MR. ELIAS:
- 14 Q. Please take a look. Here is a copy for
- 15 you, Counsel. The Bates number on this is 9432. This
- is an e-mail exchange -- well, let's just focus on the
- 17 central e-mail on the first page here. This is an
- 18 e-mail that you wrote to Chris Sherwood on February
- 19 14th, 2005; correct?
- 20 A. Yes.
- Q. Who is Chris Sherwood?
- 22 A. He is the director of WMS Gaming.
- 23 Q. And could you do me a favor and read the
- 24 second paragraph of your e-mail?
- 25 A. Yes. "Tatung company of America, Inc., is

- 1 the subsidiary of Tatung Company based in Taiwan,
- which is one of the largest PC and PC monitor
- 3 manufacturer based in Taiwan. Currently we are
- 4 supplying over 2 million sets of PC monitors, most of
- 5 them are LCD monitors to Hewitt Packard a year. We
- 6 also own our own CRT and LCD panel manufacturer,
- 7 ChungHwa Picture Tube, which will give us advantage in
- 8 terms of better prices, steady delivery even when
- 9 there is an LCD panel shortage and new LCD panel's
- 10 trend information. By the way, CPT is one of the top
- 11 six LCD panel manufacturers in the world."
- 12 Q. So in this document, do you refer to Tatung
- 13 | Company of America as the, quote, subsidiary of Tatung
- 14 | company based in Taiwan, correct?
- 15 A. Yes.
- 16 Q. And you also state that, quote, We also own
- 17 our own CRT and LCD panel manufacturer, ChungHwa
- 18 | Picture Tube; correct?
- 19 A. Here, "we," I refer to Tatung headquarter.
- MR. ELIAS: I'm now marking Exhibit 12.
- 21 This is a document that starts with Bates number 9352.
- 22 (Deposition Exhibit 12 was marked for
- identification by the reporter and is
- 24 attached herewith.)
- 25 BY MR. ELIAS:

- 1 Q. So this is a strange document, the way it
- 2 was produced in this litigation. Every other page is
- 3 a bunch of records, and then there's text on every
- 4 other page. I don't know why that happened.
- 5 But does this document look familiar to
- 6 you, Mr. Chen?
- 7 MR. AHERN: Object to the form.
- 8 A. I think I saw it before, yes.
- 9 BY MR. ELIAS:
- 10 Q. What is this document?
- 11 A. This is also the response to RFQ or RFP
- 12 from one of our potential customer, although it
- doesn't identify the name of the company.
- 14 **Q.** If you turn to page 9356.
- Do you know whose handwriting that is on
- 16 this page?
- 17 A. It looks like it's Teddy's.
- 18 Q. And the last name again?
- 19 A. T-H-A-M-R-O-N, and then there's another 28
- 20 characters, so I just call her "Teddy."
- 21 Q. Fair enough. Under number 9, do you see
- 22 where it says "Response"?
- 23 **A.** Okay.
- 24 Q. And could you read the paragraph to the
- 25 right, or both paragraphs there in that box?

- 1 MR. AHERN: Object to the form.
- 2 A. "We will use ChungHwa Picture Tube (CPT) as
- 3 our primary supplier. Tatung Group is the largest
- 4 shareholders of ChungHwa with 36 percent ownership.
- 5 Our manufacturing facility in China (TCN) is a sister
- 6 company, which is under the same parent company,
- 7 Tatung."
- 8 Q. Do you consider ChungHwa to be a sister
- 9 company of Tatung America?
- MR. AHERN: Object to the form.
- 11 A. No. I think I didn't say that here.
- 12 BY MR. ELIAS:
- 13 Q. I realize that the reference here is to the
- 14 factory in China.
- 15 A. Right.
- 16 Q. So you don't consider ChungHwa to be a
- 17 sister company --
- 18 A. No.
- 19 Q. Please let me finish the question for the
- 20 benefit of the court reporter.
- 21 But you did say that it was -- there was a
- 22 corporate association between Tatung America and
- 23 ChungHwa through Tatung Taiwan; right?
- MR. AHERN: Object to the form.
- A. What I say is that Tatung Company in Taiwan

- owns 33 percent of the ChungHwa Picture Tube. That's
- 2 basically what I say here.
- 3 BY MR. ELIAS:
- 4 Q. And when you say that your manufacturing
- 5 | company is under the same parent company Tatung, that
- 6 | implies, does it not, that the parent company of
- 7 Tatung America is also Tatung; correct?
- 8 MR. AHERN: Object to the form.
- 9 A. Yeah, I know Tatung Taiwan own 50 percent
- 10 of Tatung U.S. And I think with the ownership, you
- 11 | will say it's parent company or whatever. I think
- 12 | that's up to you to interpret it.
- 13 BY MR. ELIAS:
- 14 Q. But here it's called "parent company";
- 15 | right?
- MR. AHERN: Object to the form.
- 17 A. Yes.
- 18 BY MR. ELIAS:
- 19 Q. How would you describe the corporate
- 20 affiliation between Tatung Taiwan and ChungHwa?
- 21 A. I already stated here.
- MR. AHERN: Objection to the form.
- A. Clearly, Tatung Taiwan owns 36 percent of
- 24 the CPT at that time.
- MR. ELIAS: Now I will mark Exhibit 13.

- 1 we will likely provide one set free in case something
- 2 happen. But if go beyond this 1 percent, then we need
- 3 to buy. Or it's really major defective, then we will
- 4 talk to them, hey, you have academic problem for this
- 5 one, and you need to supply us more of the replacement
- 6 for free. So it's kind of a different case we are
- 7 dealing with, yes.
- 8 Q. Focusing on your customer, though, would
- 9 you provide them the replacement panel for free?
- 10 A. Yes, within -- normally, we offer them one
- 11 year's warranty, parts and labor. So within one year,
- 12 anything happens to the panel, we will automatically
- 13 replace it, repair it free of charge.
- 14 Q. After that one year, though, they would
- 15 | have to pay?
- 16 A. We will charge them, yes.
- 17 Q. These replacement panels, some of them came
- 18 | from CPT?
- 19 **A.** Yes.
- 20 Q. Did some of them come from Tatung in
- 21 | Taiwan?
- 22 A. No. They come from panel manufacturer,
- 23 | such LG, Chi Mei, or AUO, and so on.
- Q. Mr. Chen, who has the final authority over
- 25 Tatung America's big corporate decisions, like

- 1 mean the CPT factory?
- 2 A. Depend on what we are referring to. Either
- 3 monitor, LCD monitor, then sometimes I need to talk to
- 4 Tatung's factory, like TCN. They manufacture for
- 5 Tatung headquarter for the monitors they sent to us.
- 6 Then I will call TCN and say, hey, this shipment was
- 7 to come out last month. And why didn't it go out, and
- 8 now I'm very short of the product to my customer.
- 9 Q. So the factories you would speak with are
- 10 either the TCN one in China that makes LCD products or
- 11 the CPT factory that makes LCD panels; is that right?
- MR. AHERN: Object to the form.
- 13 A. Yes.
- 14 BY MR. ELIAS:
- 15 Q. For Tatung headquarters itself, do you
- 16 occasionally speak to people there?
- 17 A. No.
- 18 Q. Who is the CEO of Tatung America?
- 19 A. I believe now we don't have it because our
- 20 chairman/CEO was the -- pass away last year.
- 21 Q. Sorry to hear that.
- A. And then currently, Andrew Sun is our
- 23 president. So he assumed that position, I believe,
- 24 | because we didn't appoint a new CEO yet.
- 25 Q. Who is the old CEO who just passed away?

- 1 A. It's Lun Kuan Lin.
- 2 Q. How do you spell the last name?
- 3 A. L-U-N- -- yeah, L-U-N, K-U-A-N, Lin.
- 4 Q. L-I-N?
- 5 A. Yes.
- 6 Q. And Mr. Lin?
- 7 A. Yeah, Mrs. Lin, yeah.
- 8 Q. Mrs. Lin, was she related to Frank Lin?
- 9 A. Who is Frank Lin? I don't know. Who is
- 10 Frank Lin?
- 11 Q. It's my understanding that Frank Lin was
- 12 the chairman of Tatung headquarters. Is that not
- 13 correct?
- 14 A. I don't know.
- 15 Q. You don't know who Frank Lin is?
- 16 A. Yeah, I don't know. Normally, we call in
- 17 Chinese name. We didn't call Frank Lin; we just in
- 18 Chinese name.
- 19 Q. Let me ask a question this way. Mrs. Lin,
- 20 was she related to anybody else in the upper
- 21 management of Tatung Group?
- 22 A. You mean in what way?
- 23 Q. Family relationship.
- A. I believe, yes.
- Q. What was the relationship?

- 1 A. What I understand is, Mrs. Lin, Lun Kuan
- 2 Lin, is the daughter of our late chairman, T.S. Lin,
- 3 in Taiwan.
- 4 Q. Who is the chairman now of Tatung Taiwan?
- 5 A. I believe it's W.S. Lin. So it's -- when
- 6 you say Frank Lin, I don't know who is Frank Lin.
- 7 Q. Right. I think it may have been that Frank
- 8 Lin was the head of ChungHwa.
- 9 A. Oh, I don't know that. Now it's W.S. Lin
- 10 is the chairman of Tatung headquarters.
- 11 Q. And W.S. Lin, is that person also related
- 12 to the former chairman, T.S. Lin?
- 13 A. Yes, that's his son.
- 14 Q. I see. So W.S. Lin and Mrs. Lin, the
- 15 former chairman of -- chairperson of Tatung America
- 16 are both the children of -- strike that.
- T.S. Lin, the former chairman of Tatung
- 18 | Taiwan, his children, W.S. Lin and Mrs. Lin, the
- 19 | former chairman of Tatung America, those are his
- 20 | children?
- 21 A. Correct.
- 22 Q. Thank you.
- 23 Is Tatung America a distributor of LCD
- 24 products for Tatung Taiwan?
- MR. AHERN: Objection to the form.

- 1 business together with these entities?
- 2 MR. AHERN: Object to the form.
- 3 A. I think I probably -- I would like to state
- 4 this way to answer your question. I think like now,
- 5 as I told you, probably we buy less than 5 percent, or
- 6 even less, of our current monitor from Tatung
- 7 headquarter because their price is not competitive.
- 8 And it used to be we buy maybe over 50 percent from
- 9 them. And now it's almost less than 5 percent. I
- 10 need to verify the number.
- 11 BY MR. ELIAS:
- 12 Q. As far as LCD panels, you previously
- 13 testified that about 60 percent of your supply comes
- 14 from LG?
- 15 **A.** Now, yes.
- 16 Q. I forgot. What percentage comes from CPT?
- 17 A. Less than 5 to 10 percent.
- 18 Q. Did that use to be larger?
- 19 A. Oh, yes, it used to be much larger, 40, 50
- 20 percent. And they are not competitive or my customers
- 21 | don't like their panel performance, and I need to
- 22 switch. Now it's down because I need to do that in
- 23 order to stay in business.
- Q. What would you say is the highest
- 25 percentage in any given year since '96? What's the

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- 1 highest percentage during that time that you regularly
- 2 got your LCD panels from ChungHwa?
- 3 A. That has been a long year. I really cannot
- 4 recall and give you a number. I don't want to guess
- 5 because I don't have that information with me.
- 6 Q. But you said that it was as high as 50
- 7 percent?
- 8 A. Yes.
- 9 Q. Might it have been higher than 50 percent
- 10 at any moment?
- MR. AHERN: Object to the form.
- 12 A. Maybe, maybe not. I don't know. As I told
- 13 you, I don't have that information with me. So --
- 14 BY MR. ELIAS:
- 15 Q. Just approximately, can you say what years
- 16 the span of time it was that there was that 40 and
- 17 50 -- 40 to 50 percent figure?
- MR. AHERN: Object to the form.
- 19 A. I think it shall be in the earlier in the
- 20 year when the LCD panel was available. But that
- 21 probably will be year 2000 to 2002, that period of
- 22 time. And you've got to be aware that also CPT is one
- 23 of the first LCD manufacturer in Taiwan, because at
- 24 that time there is no Chi Mei, there is no AUO, only
- 25 CPT for about a year or two. So that, also, you need

- 1 to take that into consideration, because CPT is one of
- 2 the pioneer of LCD panels in Taiwan. Of course, LG,
- 3 Samsung, Sharp, they already has that, but as far as
- 4 Taiwan is concerned, CPT is the pioneer one.
- 5 BY MR. ELIAS:
- 6 Q. All right. So it's your testimony that
- 7 | your general recollection is that between 2000 and
- 8 | 2002, Tatung Company of America received up to 50
- 9 | percent of its LCD panels from ChungHwa Picture Tubes?
- MR. AHERN: Object to the form.
- 11 A. I think that may be true, yeah. I don't
- 12 have the number to verify for you one way or the
- 13 other.
- 14 BY MR. ELIAS:
- 15 Q. But that seems right?
- 16 MR. AHERN: Object to the form.
- 17 A. Yes.
- 18 BY MR. ELIAS:
- 19 Q. To your knowledge, has Tatung America ever
- 20 sued Tatung Taiwan?
- 21 A. I don't know.
- 22 Q. You don't remember that happening?
- 23 A. I cannot recall.
- 24 Q. And you have worked at the company for how
- 25 long?

- 1 A. For probably about 20 -- 24.
- 2 Q. In the 24 years you've worked at Tatung
- 3 | America, you don't remember Tatung America ever having
- 4 | sued Tatung Taiwan?
- 5 A. No, I cannot recall, or I'm not aware of
- 6 it.
- 7 Q. And, to your knowledge, has Tatung America
- 8 | ever sued ChungHwa?
- 9 A. I don't know. I cannot recall.
- 10 Q. Mr. Chen, I think we are just about done.
- 11 I just want to ask you some wrap-up questions.
- 12 Are you taking any medication or drugs of
- 13 any kind that might make it difficult for you to
- 14 understand or answer the questions I've asked today?
- 15 A. No.
- 16 Q. And have you had any alcohol to drink the
- 17 last eight hours?
- 18 A. No.
- 19 Q. And, Mr. Chen, are there any answers to my
- 20 questions that you wish to change before we conclude
- 21 your deposition?
- 22 A. No.
- MR. AHERN: Object to the form.
- 24 A. No.
- 25 BY MR. ELIAS:

Exhibit F

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IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

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)	C. A. No. 05-292 (JJF)
)	DEMAND FOR JURY TRIAL
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TATUNG COMPANY AND TATUNG COMPANY OF AMERICA'S RULE 7.1(a) <u>DISCLOSURE STATEMENT</u>

Pursuant to Federal Rule of Civil Procedure 7.1(a), Tatung Company and Tatung Company of America, Inc. (collectively, "Tatung") state the following: (i) Tatung has no parent company; and (ii) no publicly held corporation owns 10% or more of Tatung. Tatung reserves the right to supplement this statement, if necessary, pursuant to Rule 7.1(b).

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Dated: September 2, 2005

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UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on September 2, 2005, I electronically filed the foregoing document with the Clerk of Court using CM/ECF which will send notification of such filing, and hand delivered to the following:

Richard D. Kirk Morris James Hitchens & Williams LLP 222 Delaware Avenue, Suite 900 Wilmington, DE 19899

I hereby certify that on September 2, 2005, I sent the foregoing document by Federal Express, next business day delivery, to the following non-registered participants:

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